



Department of Justice

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TWO CITY COUNCIL MEMBERS AND A POLITICAL CONSULTANT PLEAD GUILTY TO PARTICIPATING IN BRIBERY AND WIRE FRAUD CONSPIRACY

WASHINGTON – Two sitting members of the Gadsden, Alabama City Council and a political consultant pleaded guilty to participating in a bribery and wire fraud conspiracy that operated from August 2005 through February 2006, Assistant Attorney General Alice S. Fisher of the Criminal Division announced today.

Jimmy L. Armstrong, 70, a member of the Gadsden City Council; Fred L. Huff, 66, a member of the Gadsden City Council; and Larry R. Thompson, 55, a private political consultant entered guilty pleas this afternoon in U.S. District Court in Birmingham, Ala., before the Honorable L. Scott Coogler. All three defendants were charged with one count of conspiring to commit federal programs bribery and honest services wire fraud. The charges relate to a bribery scheme in which Thompson, working with an individual who was cooperating with the FBI, made cash payments to influence and reward members of the Gadsden City Council for their votes in connection with a real estate development. The charges arise from Operation Costly Influence, a covert investigation conducted by the FBI.

As part of their plea agreements, Armstrong and Huff each admitted that they agreed to enrich themselves by soliciting and accepting cash bribes from Thompson and the cooperating witness. They did so with the intent of being influenced and rewarded in connection with two votes they both cast that aided a mixed-use real estate development along the banks of the Coosa River in Gadsden. Armstrong admitted accepting two cash payments totaling \$800 for his votes supporting the development, and Huff admitted accepting four cash payments totaling \$1,600 for his votes supporting the development. Thompson admitted that he solicited cash payments from the cooperating witness in exchange for Thompson's help in advancing the real estate development, and that portions of the money were used to make cash payments to the members of the City Council. Thompson made cash payments himself, and he helped the cooperating witness make cash payments, including instructing the witness on how to pass the money and what to say to the members of the City Council.

"Two members of the Gadsden City Council today admitted to a shocking betrayal of the public's trust – the selling of their Council votes for cash," said Assistant Attorney General Fisher. "There is no place in government for the buying or selling of an elected official's votes. The Department of Justice remains firmly committed to exposing and prosecuting such public corruption crimes at the federal, state and local level."

Carmen S. Adams, Special Agent in Charge, Federal Bureau of Investigation, stated: “Public corruption remains a high priority within the FBI, and these guilty pleas today are evidence of how the FBI continues to aggressively pursue corruption at all levels of government. The citizens of Alabama have a right to expect honest services from their public officials. Unfortunately, a small minority abuse their positions for private gain, undermining the integrity of all government operations. I encourage anyone with any information concerning possible public corruption to contact the FBI's Public Corruption Tipline at 1-877-628-2533 or online at <http://reportcorruption.fbi.gov>.”

The conspiracy charge carries a maximum penalty of five years in prison and a \$250,000 fine. Each defendant has agreed to cooperate in this ongoing investigation.

These cases are being investigated by the FBI. They are being prosecuted by Trial Attorney John P. Pearson and Senior Trial Attorney John W. Scott of the Public Integrity Section of the Criminal Division, U.S. Department of Justice, headed by Acting Section Chief Edward C. Nucci.

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